

Editorial

Pickpockets of Brussels and London

Another demonstration that we're now in the turbulent boundary-phase of financial disintegration, is that the financial oligarchy in Europe and the United States is now frantically moving to steal assets: in this case, the last pennies of the deposits of ordinary people. This is the meaning of the assault against the German public and semi-public banking sector by the International Monetary Fund (IMF), the Brussels-based European Union, and by the now-globalized Deutsche Bank, Germany's biggest bank. This theft must urgently be exposed and stopped, as *EIR* began to do in our Nov. 12 issue, with an article by Lothar Komp, and with the "Open Letter to Chancellor Schröder," by German Schiller Institute President Helga Zepp-LaRouche.

This fraud against Germans parallels a process in the United States which includes the recent overturn, by the corrupt 106th Congress, of the Glass-Steagall Act of 1934, which was enacted to protect future generations from the ravages of unregulated banks and financial firms. In the United States, other parts of the same predatory process include: the Commodity Futures Trading Commission's Oct. 28 move to further deregulate financial derivatives, and the Nov. 4 recommendation of the President's Working Group on Financial Markets (the "Plunge Protection Group," set up after the October 1987 crash) to legalize all over-the-counter derivatives, without regulation.

This is typical end-game behavior by the financial oligarchy. You must understand that it's *your* money they want to grab, whether by destroying public banks in Europe, or by enticing people to pull their money out of savings accounts and to put it into money management accounts, which have no deposit protection, and even into financial derivatives, which are utterly worthless, chain-letter schemes. It's not just stealing. Look at the tens of millions of pensioners who depend on their savings: The oligarchy will kill them!

In Europe, *EIR* is beginning a major offensive against the destruction of the public and semi-public banking system. The only reason why the German economy has not already collapsed totally, is that this sector holds 51% of the deposits, and makes 51% of the loans. The fight in defense of these needed banks, pulls together the questions of speculation, mass unemploy-

ment, and the *Mittelstand*. The *Mittelstand* is the name given to Germany's smaller industrial firms, often sole-proprietorships, which are integral to the cutting edge of new technologies in every area. The *Mittelstand*, now under attack, was the cornerstone of German industry's once-envied ability to produce quality goods, just as the German economy is the cornerstone of the European economy as a whole.

Simultaneously, *EIR*'s staff is beginning a historical project, "How Deutsche Bank Became Anti-Deutsche Bank," on how this motor for economic development was transformed into a globalized speculation machine. The decisive point was the murder of Deutsche Bank head Alfred Herrhausen on Nov. 30, 1989. This question goes to the core of the oligarchy: the London-centered BAC (British-American-Commonwealth intelligence) and its lackeys in France, who organized the murder of Herrhausen, as they had earlier organized that of Walther Rathenau in 1922. The popular media attributed Herrhausen's murder to terrorists of the RAF (Red Army Fraction), but it was well known that that group had actually long been defunct. Before he was martyred, Herrhausen had written a speech for delivery in New York, which proposed concrete steps of joint East-West economic development to inaugurate the post-communist era. This traditionalist German banker shared a similar commitment to that of *EIR* founder Lyndon LaRouche.

Thus, the fact that the world is right now in the turbulent boundary-layer of financial implosion, does not mean simply that all financial institutions, and then almost all economic activity, will vaporize over a day or two, at some time over the coming days or weeks, under present policies—although that is true. What must be understood, is that the unique conditions of this boundary-layer are already, today, determining not only the strange behavior of the "markets," but that of governments, political parties, and other institutions. Can the fiction of prosperity and stability be maintained through the period of the U.S. primaries, for instance—or even the elections? Al Gore desperately wishes it can. Every trick in the book will be used; but the laws of the boundary condition dictate that the bankrupt system will inevitably collapse, at some point soon.